



CITY COUNCIL STAFF REPORT

MEETING DATE: April 4, 2012

Agenda Item # **2**

Prepared By:

Program Administrator

Approved By:

Community Services
Director

Submitted By:

City Manager

AWARD OF TREE MAINTENANCE CONTRACT

RECOMMENDED ACTION(S):

1. Determine That Administering Competitive Bids for Tree Maintenance Services Would Cause Unnecessary Expense;
2. Authorize the City Manager to Execute a Contract With West Coast Arborists for up to \$75,000 Annually for a Two-Year Period Subject to Future Budget Appropriations by the City Council and the Review of the City Attorney; and
3. Authorize the City Manager to Extend the Agreement for a Period of Up To One Year at a Cost Not to Exceed 110% of the Original Approved Annual Amount Subject to Budget Appropriations by the City Council

EXECUTIVE SUMMARY: The City has contracted with professional arborists for many years to service trees throughout the community. Services provided include routine tree trimming for safety and clearance purposes, tree removals, emergency response services, and consultation services. The City's current contract expires at the end of the current fiscal year.

Since many cities contract out tree trimming services, staff evaluated if administrative efficiencies could be gained by using the results of a competitive bid process completed by a nearby jurisdiction. Staff researched actions by the City of Gilroy and learned that they administered a competitive bid process for tree maintenance services in 2011. As detailed in the attached document, Gilroy's evaluation resulted in awarding the contract to West Coast Arborists. West Coast Arborists is the firm currently under contract with the City of Morgan Hill. The firm has provided excellent and efficient service to the community since 2005 and has been awarded the contract the past three times the City of Morgan Hill has solicited bids. City staff are not aware of any Morgan Hill-owned companies capable of competitively bidding on this project. In addition, staff reviewed the bids received during the competitive bids the City administered during the past decade for this work and found that no local bidders bid competitively.

Section 3.04.150 of the Morgan Hill Municipal Code allows the City Council to elect to make any purchase in any amount by affirmative vote of three city council members upon a determination that competitive bids upon notice would not be likely to result in a lower price to the city from a responsible bidder, or would cause unnecessary expense or delay under the circumstances. Given the City of Gilroy's recent results and the City of Morgan Hill's past results, staff recommends that the City Council determine that soliciting competitive bids in this instance would cause unnecessary expense and to authorize the City Manager to execute a service agreement with West Coast Arborists subject to budget appropriations and the review of the City Attorney.

FISCAL/RESOURCE IMPACT: The City has historically appropriated contract funds for these services in the areas of Street Operations, Park Operations, Utility Operations, and the Landscape Assessment District. Staff anticipates recommending the appropriation of \$75,000 in the proposed FY 12/13 budget. Administering tree maintenance contracts is an anticipated activity in the Community Services Department work program.

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City of Gilroy

STAFF REPORT

T. DATE: October 3, 2011

TO: Thomas J. Haglund, City Administrator

FROM: Rick Smelser, Public Works Director/City Engineer
David Stubchaer, Sr. Civil Engr./Ops Manager *D.S.*

SUBJECT: Award of Tree Pruning & Maintenance Services Contract – 12-RFP-PW-357

Recommendation

It is recommended that City Council award a 3-year services contract and authorize the City Administrator to execute a contract for tree pruning and maintenance services for the City of Gilroy, Project No. 12-RFP-PW-357, in an amount not to exceed the Council approved budget amount for said services (FY 12 and FY 13 annual amounts are \$151,000 each year) to West Coast Arborist.

Background

The City of Gilroy is responsible for approximately 18,000 trees. Responsibilities include but are not necessarily limited to trimming, thinning, pruning, removal, stump removal, replanting, crown thinning, raising, cleaning, and reduction, and assessing and treating for infestation or disease. This may include work after hours and emergency work to address such things as downed trees or large branches due to wind storms. The contractor will have to have enough resources, workers and equipment, to meet the needs of the city during regular business hours as well as after hours.

TruGreen Landscape has had the city contract for tree pruning services since approximately 2003, but was bought out by West Coast Arborists, Inc. (WCA) in June, 2011, which makes WCA the city's current tree pruning contractor. The contract with TruGreen/WCA was extended in July, 2011 and is set to expire in December, 2011. In accordance with city practice, a new contract must be obtained through a Request for Proposal (RFP) process.

Discussion

To obtain the services of a contractor to perform tree pruning & maintenance as described above, an RFP to provide tree pruning & maintenance services for approximately 3 years was circulated in both the Gilroy Dispatch and the San Jose Mercury News.

Three proposals were received as follows:

- Commercial Environmental Landscape (CEL)
- New Image Landscape
- West Coast Arborists, Inc. (WCA)

The proposals were evaluated by a 3-member evaluation team on the following criteria:

1. Having sufficient equipment/personnel resources to meet the needs of the city
2. Cost of services
3. Review of Safety Practices
4. Workers' Comp Modification Rate (a measure of workmans comp claim rates compared to other companies performing similar work)
5. Estimated response time to after-hours work
6. Review of references/previous clients

The evaluation team determined that CEL and New Image, as indicated in their respective proposals, did not appear to have sufficient equipment to meet the needs of the city's 18,000 trees. The team concluded that WCA was best equipped to meet the city's tree pruning and maintenance needs.

CEL and WCA were tied for lowest cost of services, with New Image approximately 32% higher.

New Image and WCA appeared to have the best safety practices based on the material submitted, with CEL a distant third.

Two of the three, CEL and WCA had a three year average Workers' Comp Modification Rate score of 1.09 and 1.10 respectively, with New Image having the best score of 0.77. (A score of 1.00 means that the company has an average number of workmans comp claims compared to other companies providing similar services. A score higher than 1.00 means more than the average workmans comp claims (e.g. as score of 1.09 means 9% higher than average))

CEL and WCA had the shortest estimated response times to after-hours call for services, while New Image was estimated to take a little longer to respond, but all three were adequate.

Review of previous clients revealed that all three appeared to be satisfactory.

Based on the review of all three proposals, considering all the criteria as discussed, the team rated West Coast Arborists, Inc. the highest, and best able to meet the needs of the city's urban forestry program.

Human Resources Impact

There are no Human Resource impacts associated with the approval of this contract.

Financial Impact

Funds for this contract are included in the Council approved budgets for FY 12 and FY 13.